



## **ROYAL OAK RESTAURANT ASSOCIATION**

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To: Honorable members of the House Tax Policy Committee

From: John Dempster and Carmen Young, Royal Oak Restaurant Association

Date: May 12, 2010

Re: House Bill 5059

We, as well as the undersigned members of the Royal Oak Restaurant Association, write to you today in regards to House Bill 5059, which allows cities to levy a per-drink tax on alcoholic beverages.

We are vehemently opposed to the proposed House Bill 5059. As an industry we have suffered tremendous setbacks due to the economy and recent times. In 2009, total statewide restaurant and tavern sales in the state of Michigan were down 3.3 percent compared to 2008. Also, we are clearly uncertain what the impact of the recently-enacted smoking ban law will have on our businesses. We believe this is absolutely the wrong time to single out our industry to become a revenue generator for local municipalities.

In the city of Royal Oak, we represent upwards of 2,500 employed workers who stand to lose their jobs if this is considered to be city specific. Talking with other cities we have contacted, it appears there is no support on their behalf for such a tax. It is apparent to us that this is specific to Royal Oak restaurants and bars to generate revenue for the city.

Please understand that we appreciate the plight that our city is currently enduring but we do not believe that assessing a new tax on the city's leading industry is the route to take. As an association we have gone above and beyond what most cities have even had the

chance to appreciate to help and support our local government and the needs of its citizens.

We cannot overstate the opposition of the members of our association to House Bill 5059. We apologize for not being able to be present at today's hearing but appreciate the opportunity to present a statement for the committee's consideration.

Andiamo's Osteria  
Bastone  
D'Amato's  
Gusoline Alley  
O'Toole's  
Pasquale's  
Lily's Seafood  
Memphis Smoke  
Rock on Third  
Mr. B's Pub  
The Inn Place

Oxford Inn  
Monterrey Cantina  
Oak City Grille  
Pronto!  
Royal Oak Music Theatre  
Tom's Oyster Bar  
Woody's Diner  
Town Tavern  
Blackfinn  
Ye Olde Tavern  
Duggan's Irish Pub

***Created to promote and strengthen the hospitality industry in Royal Oak and to benefit  
The Royal Oak Community***